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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

29 June 1951

ESTIMATE OF THE WORLD SITUATION,

1 July 1951 to 30 June 1953 for OFO Strategic Plan

ASSUMPTION

This estimate is based on the broad assumption that there will not be a general war between the USSR and the Western Allies within this period.

I. SOVIET OBJECTIVES.

1. We believe that the ultimate Soviet objective is a world dominated by the USSR and that the Kremlin believes its security can be assured over the long run only by the elimination of all governments it cannot control, whether free governments such as the US or dissident Communist governments such as Yugoslavia. We further believe that over the short run the Kremlin looks on non-Satellite countries on the borders of the Soviet orbit as areas to be brought under Soviet control when opportunity arises, as continuous temptations to Satellite

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countries to break away from Soviet control, and as potential staging areas for attacks on the Soviet orbit. Thus, in Soviet policy and action, "security" involves expansion. We believe, therefore, that the USSR will:

(a) Seek to prevent the development of any threat to the security of the USSR or to Soviet control of the Satellites;

(b) Seek to expand the territorial limits of the Soviet orbit;

(c) Seek to undermine and secure control of governments not yet under Soviet domination; and

(d) Seek to force countries of the free world to adopt a policy of neutrality in the East-West struggle and to deny their resources, including strategic sites, to the US and its allies.

2. We believe that, in the pursuit of these objectives, the Kremlin will accept varying degrees of risk of general war with the US. At the present time, the Kremlin may well estimate that the world situation offers considerable opportunities for progress toward Soviet objectives with no appreciable risk of war with the US. This estimate could find its bases not only in the existing opportunities for Communist progress, but also in the reluctance of the US to become involved in general war, the

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overwhelming strength of the USSR in conventional forces, and the deterrent effect of Soviet atomic capabilities even though these capabilities are limited in comparison to those of the US.

II. SOVIET COURSES OF ACTION.

A. THE FAR EAST.

3. The Far East currently offers the most promising opportunities for further Communist expansion. The entire area is still in the throes of nationalist upheavals, which the Communists in many instances have exploited to their own ends, most successfully in the case of China. In spite of any effects of the Korean war on Communist China, its military power, based primarily on massed manpower, is still formidable in comparison to that of its neighbors and is, therefore, an effective weapon in support of Communist movements.

4. Indochina and Burma are the countries of the Far East presently most exposed to Communist expansion, and invasion of these countries by the Chinese Communists must be considered a possibility within the next two years. In the absence of an actual invasion, the Chinese Communists will at least continue their support of local Communist movements. The fall of either or both of these countries to Communist control would increase the vulnerability of neighboring countries to external

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and internal Communist pressures, and thus would facilitate a Communist advance throughout Southeast Asia. Although we cannot estimate the likelihood of an attack over a two year period, we believe that for the next year, or at least the duration of the Korean war, an invasion of either country is unlikely because of the presently limited Chinese Communist capability to support sustained operations, the Communist awareness that open intervention might provoke Western intervention, and the prospect that in the long run the Communists might win a victory in Burma and Indochina without overt Chinese invasion. We believe, therefore, that the Kremlin and Peiping will seek to strengthen the Communist parties in these countries and will use the threat of Chinese Communist invasion in an effort to prevent effective counteraction against local Communists.

5. Elsewhere in Southeast Asia, the Kremlin and Peiping will continue their efforts to strengthen local Communist parties, using them, where possible, to disrupt the economies and administrations of the governments. The Kremlin in this respect will continue its efforts to gain Communist leadership of nationalist elements and will play heavily on anti-Western themes to reduce Western influence.

6. In Japan, the Kremlin will probably depend on the Japanese Communist Party in its efforts to disrupt Japanese political and

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economic life. During the initial portion of the next two years, the projected Japanese Peace Treaty will be a principal target of the Japanese Communists from within and the USSR and Communist China from without. The threat of Soviet and Chinese military action will be used in an effort to intimidate the Japanese and prevent the close alignment of Japan with the Western powers. Japanese rearmament will be vigorously opposed by the USSR and Communist China and also by the Communist Parties throughout the world, particularly in the Pacific countries which fought Japan in World War II.

7. A Chinese Communist attack on Formosa would require active Soviet participation to have a chance of success in the face of existing US policy to defend the island. Thus, so long as this policy remains unchanged and US fleet units are available for the defense of Formosa, the USSR is unlikely to assume the risks of war involved in participation in, or encouragement of, an attack on Formosa. Chinese Communist subversive efforts will be continued, and the question of Formosa will be exploited as a focal point of Chinese Communist anti-American propaganda.

8. Hong Kong and Macao in Western hands are presently of value to the USSR and Communist China for economic reasons. These advantages will probably decrease as embargo measures against Communist China become more effective, and the likelihood of Communist seizure of these territories will increase. The Chinese alone have the capability to seize them and the risk of general war would be slight.

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Such action must be considered a serious possibility during the next two years.

9. It is impossible at present to predict with any confidence either when hostilities in Korea may come to an end or what form a settlement, if made, might take. Current discussions of a cease-fire may result in an armistice and possibly a subsequent settlement, but, thus far, these efforts cannot be evaluated accurately. Should current efforts fail to produce a cease fire, we believe that the USSR will continue to support the Chinese Communists covertly. If, however, the Kremlin concluded that the Chinese Communist and North Korean forces were unable to retain control of North Korea or that, as a result of the extension of the area of military operations, the Chinese Communist regime itself were endangered, the Kremlin probably would resort to increasingly drastic measures. These measures might, if necessary, include such thinly-veiled commitment of Soviet forces against US forces that the US and USSR would be engaged in a de facto local war, which, if the US felt compelled to recognize its existence, might at any time develop into a general war.

B. THE NEAR AND MIDDLE EAST.

10. Of the countries in this area, Iran is in the most immediate danger. The current Anglo-Iranian oil dispute offers numerous opportunities for Soviet exploitation, either directly or through the Tudeh Party. The Kremlin may hope that at best the situation will so deteriorate as to permit a Tudeh coup and at least that it can be so manipulated as to deny or to limit

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Iranian oil to the West. Should British forces enter Iran in the course of the present dispute the possibility of eventual direct Soviet intervention would be substantially increased. Under certain circumstances, the USSR might conclude that Soviet forces could enter Iran without serious risk of general war. For example, should the Tudeh Party seize control of some northern area and then request Soviet "aid," the Kremlin might respond by sending Soviet forces into that area on the theory that, under the circumstances, that action would not involve a serious risk of general war. In any event, the threat of Soviet military power will be utilized in an effort to prevent or delay a satisfactory settlement, and, internally, the Tudeh Party will make every effort to exploit the situation to its own advantage, seizing control of the government if that opportunity should arise. It is virtually impossible to project any estimate beyond a settlement of the oil issue inasmuch as future developments will depend to a great extent on the nature of that settlement.

11. Soviet diplomatic, economic and propaganda pressure on Greece and Turkey will probably increase, particularly if those countries are taken into NATO or some regional defensive organization. Internally, both countries will probably continue to be able to cope with the Communist problem.

12. Elsewhere in the Near and Middle East (India, Israel,

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and the Arab States), the Kremlin will probably continue its efforts to promote anti-Westernism and neutrality, and to foster local rivalries which prevent effective defensive grouping. Some Soviet success along these lines can be anticipated. National, religious, and economic problems will all be exploited by the Kremlin in an effort to deny the resources of this area to the Western powers, and to "soften up" these countries for further Communist infiltration.

C. EUROPE.

13. The Soviet objective in Western Europe during the next two years will probably continue to be the prevention or limitation and delay of Western rearmament, including especially that of West Germany. If the Kremlin should become convinced that the USSR was about to lose decisively its superiority in conventional forces, whether through NATO and West German rearmament or through US progress in unconventional armaments, and that the Western coalition when fully rearmed would attack the USSR, then the Kremlin might deliberately precipitate or provoke general war. Although such a decision might be prompted by US progress in unconventional armaments, we believe that with respect to NATO and German rearmament, there is little prospect that these measures will advance in the next year to a point where the Kremlin is likely to reach such a decision. We cannot estimate whether they will

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reach such a point by 1953. Political warfare, therefore, will probably be intensified; the "peace campaign" will be pressed, the fear of war in Europe will be exploited fully, and the Communist parties of France and Italy will continue their efforts to confound the political situation and obstruct effective government. In Germany itself, the Kremlin will probably continue to strengthen its grip on the Eastern Zone, but at the same time will attempt to "soften up" West Germany through offers of unification, economic pressures, subversion, and propaganda.

14. There is a serious possibility that a Satellite attack will be launched against Yugoslavia, despite the risk of general war involved. Political methods have failed to dislodge the Tito regime and offer little prospect of future success. In view of the increasing Western commitment to Yugoslavia, the Kremlin probably estimates that a Satellite attack would involve a serious risk of war between the US or UN and the Satellites and/also would involve the danger that such a war might develop into a general war between the US and the USSR. However, the Kremlin may believe that these risks are much less now than they are likely to be at a later date when the internal and external position of Yugoslavia may have become stronger. Also, the Kremlin may estimate that a quick and successful conquest of Yugoslavia would disrupt the entire Western defensive effort. These factors, combined with the improving capabilities of the

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Satellites for such an attack, may lead the Kremlin to launch a Satellite invasion of Yugoslavia.

15. In Scandinavia, Soviet tactics will probably continue to be designed to encourage neutrality and to contribute to the general Soviet objective of paralyzing European resistance to Communism. Finland is in a particularly vulnerable position in this area and might be occupied by Soviet troops if the Kremlin should decide that such action would so intimidate neighboring Scandinavian countries as to prevent their further participation in Western defense. Immediate prospects are, however, that the neutral position of Finland will be preserved and Soviet action in this area is considered unlikely.

D. AFRICA AND THE WESTERN HEMISPHERE.


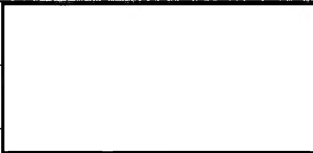
16. The countries of North and South America and Africa are of less immediate concern to the Kremlin and the principal Communist problem is one of organization and successful infiltration and control of political and economic organizations such as labor unions, national political parties, etc. These efforts will undoubtedly continue, supported by Soviet propaganda, with the aim of splitting these countries from association with the US and Western Europe and preventing effective contribution by them to Western defense.

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| SOURCE O/ME | | CIA CONTROL NO. 53195 |
| DOC. NO. | | DATE DOCUMENT RECEIVED 29 June 1951 |
| DOC. DATE 29 June 1951 | | LOGGED BY meb |
| COPY NO. 9 | | |
| NUMBER OF PAGES 10 | | |
| NUMBER OF ATTACHMENTS none | | |

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